



**MAYOR DICK MURPHY  
Science and Technology Commission  
MEETING MINUTES**

The San Diego Science and Technology Commission (SDS&TC) held a special meeting on June 14, 2004 hosted by Economic Development Corporation located at 401B Street, San Diego, CA 92101.

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- I. **CALL TO ORDER/ROLL CALL:** Dr. Martha Dennis, SDS&TC Chair, called the meeting to order at 3:00 p.m. Members present: Craig Andrews, Dr. Hui Cai, Jon Cohen, Dr. Tom Dillon, Dr. Martha Dennis, Charles Holland, Susan Myrland, Dr. Gail Naughton, Tyler Orion, Craig Roberts, and Julie Meier Wright. Members absent:, Scott Corlett, Vicki Marion, Richard Polanco Jr., Scott Randall, Carrie Stone, and Maurice Wilson. Others Present: Mr. Matthew Eary with San Diego Association of Governments. Community & Economic Development Department staff members: Toni Dillon, Russ Gibbon, Tina Hines, and Jeff Kawar.
- II. **PUBLIC COMMENT:** Dr. Martha Dennis made a motion to move the meeting scheduled for Wednesday, September 8<sup>th</sup> to Tuesday, September 14<sup>th</sup>.  
(MOTION/Roberts/Orion/UNANIMOUS)
- III. **APPROVAL OF MINUTES FOR:** May 19, 2004.  
(MOTION/Dillon/Orion/UNANIMOUS)
- IV. **STEP FORUM**
  - A. Presentation: *Science and Technology, The Key to creating Economic Prosperity*; Matt Eary, Economist with San Diego Association of Governments (SANDAG) presented to the Commission the Power Point created for the April 15<sup>th</sup> STEP Forum. According to SANDAG's research, the regional economic drivers are changing. In the San Diego region, the traditional manufacturing sector, once a key economic driver, is being replaced by traded clusters. Because traded clusters access the global market place, which brings new money into the region, traded clusters are similar in concept to base economic drivers. SANDAG analyzed seven (7) high technology trade clusters for STEP Forum; specifically: 1) Biomedical Products; 2) Biotechnology and Pharmaceuticals; 3) Communications; 4) Computer and Electronic Manufacturing; 5) Defense and Transportation Manufacturing; 6) Environmental Technology; 7) Software and Computer Services.

Eary noted that these high technology traded clusters are important because they drive regional prosperity and enhance competitiveness. Traded clusters have access to global markets, expanded the available pool of revenue and provide high wage generating job opportunities (up to 160% higher than the regional average).

Eary concluded by citing several policy objectives that must be addressed to foster continual growth in the regions high technology traded clusters: 1) education and workforce development; 2) access to international markets; 3) a highly reliable water supply; 4) low-level radioactive waste storage.

## V. COMMUNITY AND ECONOMIC DEVELOPMENT STAFF UPDATE

- A. Community and Economic Development Budget: Jeff Kavar, Deputy Director, of Economic Development reported that the state budget impacts to the City's General Fund will remain at \$22 M and \$5M in Redevelopment Agency cuts for the next two years. Initially, Kavar anticipated a loss of 11 positions within the Community and Economic Development department, specifically 9.4 in his division. This reduction in staff would have significantly impacted services provided by Commercial Revitalization, Office of Small Business, Special Projects, and the Business Finance Program. Kavar announced that his department's proposed budget has been accepted with the restoration of several positions. In conclusion, Kavar noted that fiscal year 2006 will be equally challenging to the Community and Economic Development's budget.
- B. Presentation: Science and Technology's Contribution to San Diego's Prosperity: The Role of Innovation, Talent and Partnerships (STEP FINAL REPORT): Toni Dillon, Business Development Officer, Economic Development, noted that the goal of the STEP Forum was to engage civic entrepreneurs, trade organizations, businesses, institutions, and government participants to provide feedback to City government; specifically to: 1) highlight the importance of science and technology to the city and regional economy; 2) examine the opportunities, issues and impediments that impact these industries and institutions; 3) identify technology industries' priorities to determine what policy actions might ensure that these industries continue to thrive and invest in the city and the region.

Dillon stated that Doug Henton's firm Collaborative Economics was engaged to facilitate the STEP Forum, summarize this event and detail participants' feedback. The STEP Final Report prepared by Collaborative Economics grouped STEP Forum participants concerns into four areas: 1) the local talent squeeze; 2) housing and business costs; 3) business uncertainty; and 4) regional perception of science and technology traded clusters.

Upon review and discussion of the draft Final Report, the overall Commission consensus was that report was not complete, did not accurately reflect what was said at the Forum and needed substantial edits. It was determined that the Commissioners would review the current draft Report's contents and provide comments within two weeks to Dillon. Dillon would attempt to reconcile all comments and include all suggestions in a new draft of the report. Once the comments had been received, a core group of Commissioners (Dr. Dennis, Dr. Naughton, Ms. Wright and Ms. Orion) would review this document and incorporate any final revisions. In addition the core group would create a Power Point Presentation on the Report's key findings and policy recommendations to be presented to the City's Rules Committee. Kavar requested that the core group consider Dillon and himself as available to continue to work with the core group to achieve its goals. Furthermore, the Commission requested that at the upcoming September meeting, Kavar provide a tentative date for the City's Rules Committee STEP presentation. In conclusion, Ms. Julie Meier Wright moved that Economic Development staff should prepare policy recommendations separate from the Report to be reviewed by S&T Commissioners at the September meeting (MOTION/SECOND/Wright/Roberts/UNANIMOUS). The core group and City staff stated that they would be ready report back to the Commission at the Tuesday, September 14<sup>th</sup> Special Meeting on the progress of their task.

After discussion, Dr. Dennis agreed to prepare a thank you letter to be sent to STEP participants for their attendance. This letter would discuss providing a copy of the STEP

Report to all attendees. Furthermore, the Chair would commit to providing interested participants periodic updates of the Commission's efforts to bring to the attention of the San Diego City Council participant recommendations, issues and concerns.

VI. SUB-COMMITTEE UPDATE

- A. Digital Inclusion Workgroup: *Digital Inclusion Economic Prosperity follow-on study*: Ms. Tyler Orion stated that the completion of this report would be delayed a couple of months. It was discovered that the data compiled in 2000 and 2002 regarding the digital divide contains discrepancies. Ms. Orion's consultant will have to normalize the data prior to its usage in this study. Ms. Orion concluded that she would keep the Commission informed regarding the progress of this study.

VII. UPCOMING MEETINGS: The next special meeting will be September 14, 2004 from 3 P.M to 5P.M.

VIII. ADJOURN: There being no further business of the Commission; this meeting was adjourned at 5:00 P.M.